
**Brakke Consulting's
Animal Health News & Notes for March 6, 2015**
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**BRAKKE CONSULTING, INC.
COMING IN APRIL:
2015 PAIN MANAGEMENT PRODUCTS REPORT**

Pain management is one of the leading topics in veterinary medicine today. Brakke Consulting's annual report on Pain Management Products for Dogs and Cats includes such valuable information as:

- overview of acute and chronic pain in small animals
- review of new products
- estimates of US sales and prices of leading products
- pain management products in development
- review of nutritional supplements used for chronic pain
- review of therapeutic diets for joint care
- 2015 survey of 200 small animal veterinarians regarding use of pain management products

Pain Management Products for Dogs and Cats 2015 can be purchased for \$4,995 if ordered by March 31, 2014. The report will be completed in April. Questions about the study can be answered by project manager Lynn Fondon, DVM, MBA at 972-243-4033, or email Lfondon@brakkeconsulting.com.

www.BrakkeConsulting.com

COMPANY EARNINGS RELEASES

> **Ceva** reported financial results for the year 2014. Consolidated sales of the Ceva Group reached EUR 766 million (\$1.08 billion using an average conversion rate for 2014), representing growth of 23% (14% at a constant perimeter and exchange rates). Sales grew in all zones and across all species with particularly strong performance being recorded in companion animals (17%) and poultry (14%). (*company press release, Animal Pharm*)

> **Heska Corporation** reported financial results for the full year 2014. Consolidated revenue for 2014 rose to a record of \$89.8 million, up 15% from 2013. Net income attributable to Heska Corporation in 2014 was \$2.6 million compared to a net loss of (\$1.2 million). (*company website*)

> **Animalcare** reported results for the six months ended December 31, 2014. Half-year revenue were GBP 6.9 million (\$10.7 million), representing sales growth of 7%. The company's profit before tax for the same period was GBP 1.76 million, an improvement of 28% over the comparable period in the prior year. (*Animal Pharm*)

> **Krka** recorded animal health sales of EUR 46.5 million (\$51.8 million) for the full year 2014, representing growth of 9%. The company benefited from obtaining marketing authorizations for six animal health products across the year. (*Animal Pharm*)

> **Land O'Lakes Inc.** reported 2014 net earnings of \$266 million on record sales of \$15 billion. These results were driven by continued growth in key areas of the company's core business units: Crop Inputs, Dairy Foods and Feed. Feed reported sales of \$4.7 billion, down slightly from \$4.8 billion in 2013. (*WattAgNet.com*)

COMPANY NEWS RELEASES

> **Merial** announced that NexGard received a supplemental FDA approval to treat and control the brown dog tick (*Rhipicephalus sanguineus*) in the US. (*FDA*)

> **Perrigo Animal Health** announced the launch of SENTRY Fiproguard Plus spot-on and SENTRY Soft & Chewy Supplements. SENTRY Fiproguard Plus contains fipronil and (s)-methoprene; SENTRY Soft & Chewy Supplements are available in three varieties: Calming Chews, Joint Health, and Joint Health Advanced. (*Money.CNN.com*)

> **Vets Plus** announce the launch of Probios yogurt soft chew supplements and dental sticks probiotic supplements for dogs and horses. The new products contain the same research-proven strains of beneficial bacteria as other Probios products for dogs. (*company press release*)

> **Abaxis, Inc.** announced that the Center for Veterinary Biologicals of the USDA has cleared its VetScan Anaplasma Rapid Test Kit for the detection of *A. phagocytophylum* and *A. platys* in canine whole blood, serum, or plasma samples. (*PRNewswire*)

> **Hill's Pet Nutrition** announced the launch of Ideal Balance Crafted dog and cat food products. The new line will be produced in carefully-managed small batches and include flavorful, nutritious ingredients that appeal to natural pet food consumers. (*PRNewswire*)

> **Petnet** has entered into an agreement to acquire **SlimDoggy Inc.**, giving Petnet access to SlimDoggy's petfood database and patent pending technology, which the company plans to

incorporate into its “Smart” line of pet products. Together, Petnet and SlimDoggy aim to make feeding a pet and selecting appropriate petfood as simple and convenient as possible. Financial terms were not disclosed. (*Petfoodindustry.com*)

> **Clongen Laboratories**, LLC announced the launch of a new Veterinary Diagnostic services Division. The veterinary test menu includes pathogens that commonly infect dogs, cats, and other household pets, as well as those that affect livestock and primate populations. (*PRNewswire*)

> **McDonald's USA** announced new menu sourcing initiatives including only sourcing chicken raised without antibiotics that are important to human medicine. While McDonald's will only source chicken raised without antibiotics important to human medicine, the farmers who supply chicken for its menu will continue to responsibly use ionophores, a type of antibiotic not used for humans that helps keep chickens healthy. In addition, McDonald's US restaurants will also offer customers milk jugs of low-fat white milk and fat-free chocolate milk from cows that are not treated with recombinant bovine somatotropin (rbST). (*Feedstuffs*)

> EU **Boehringer Ingelheim Animal Health** announced the European launch of its new Bovela vaccine against bovine viral diarrhoea (BVD). The company said Bovela is the first vaccine to be marketed in the EU for the active immunization of cattle against both genotypes of the virus (BVDV-1 and BVDV-2). (*Animal Pharm*)

ANIMAL HEALTH NEWS

> US - AVIAN INFLUENZA USDA's Animal and Plant Health Inspection Service (APHIS) has confirmed the presence of highly pathogenic H5N2 avian influenza in a commercial turkey flock in Pope County, Minnesota. This is the first finding in the Mississippi flyway. State officials quarantined the affected premises and the remaining birds on the property will be depopulated to prevent the spread of the disease. (*Outbreaknewstoday.com*)

> CHINA - TB RESISTANCE Chinese researchers claim to have created a herd of genetically modified cattle possessing a higher resistance to bovine tuberculosis (bTB). Researchers at the Ministry of Agriculture in Northwest A&F University, Yangling, China, modified the genome of Holstein-Friesian cattle using the mouse gene SP110. Researchers said the transgenic cattle were better able to control the growth and multiplication of *Mycobacterium bovis*, the causative bacterium of tuberculosis, and efficiently resist low doses of the bacteria transmitted from bTB-infected cattle. (*Animal Pharm*)

> US - ANIMAL HEALTH RESEARCH The College of Veterinary Medicine at Kansas State University announced it is establishing a new center of excellence: the Center for Outcomes Research and Education, or CORE. With a goal of improving effectiveness and efficiency in animal health care and its associated impacts on human health, the center will focus on demonstrating the value of animal health interventions — including treatment, prevention or diagnostic activities intended to improve health. The center's research and training activities will be funded through a variety of sources. (*K-State.edu*)

> US - MILK SAFETY The FDA announced results from its 2012 milk sampling survey, involving the testing of nearly 2,000 dairy farms for drug residues in milk. According to FDA, more than 99% of the samples are free of drug residues of concern, which underscores the safety of the US milk supply. (*Feedstuffs*)

> US - ANTIBIOTIC USE US Senators introduced the Prevention of Antibiotic Resistance Act to combat what they see as “the overuse of medically-important antibiotics in agriculture.” The bill would require the FDA to withdraw its approval of medically-important antibiotics used for disease

prevention or control that are at high risk of abuse, unless the producer of the drug can demonstrate that its use in agriculture does not pose a risk to human health. Antibiotics that meet the standard for prevention and control uses would be issued a revised label that supports prudent antibiotic use. (*Feedstuffs*)

**BRAKKE CONSULTING, INC.
UNDERSTANDING THE OVER-THE-COUNTER MARKET**

Whether your business is considering the OTC channels for new business opportunities or you have been distributing in the OTC channels for years, Brakke Consulting's team can provide significant and quality assistance to businesses seeking to learn more about the details of the OTC channels of distribution. If you are looking for meaningful insights into the OTC channels, the trends found there, and the opportunities that exist, contact our Dallas office or Joel Adamson at jadamson@brakkeconsulting.com .

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BRAKKE CONSULTING VIEWPOINT

As a follow-up on last week's newsletter, Dallas just experienced another half inch of ice and 4+ inches of snow on Wednesday and Thursday, so flea and tick season did not start here this week unless pet owners are starting an early prevention program. Will the winter weather in various parts of the US have a negative impact on revenues in the first quarter of 2015 like it did in 2014?

Some of this week's news involves products and technology in some of the fastest growing areas of nutrition and diagnostics.

One item of note in this week's newsletter is that it appears Ceva reached the \$1 billion in revenue mark in the past year. No matter how you translate the currency that is a positive accomplishment.

Have a great weekend!!

Ron Brakke

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